

DONGELL LAWRENCE FINNEY CLAYPOOL LLP 1 RICHARD A. DONGELL (SBN 128083) PAUL D. RASMUSSEN (SBN 201680) 2 707 Wilshire Boulevard, 45th Floor Los Angeles, CA 90017-3609 3 Telephone: (213) 943-6100 Facsimile: (213) 943-6101 4 Attorneys for Defendant and Cross-Defendant 5 CRUCIBLE MATERIALS CORPORATION 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 FOR THE COUNTY OF ORANGE 9 10 Case No.: 04CC00715 ORANGE COUNTY WATER DISTRICT, 11 Assigned to Hon. Thierry Colaw Plaintiff. Department CX104 12 **CRUCIBLE MATERIALS** 13 NORTHROP CORPORATION; NORTHROP CORPORATION'S VERIFIED ANSWER GRUMMAN CORPORATION; AMERICAN TO ORANGE COUNTY WATER ELECTRONICS, INC.; MAG ÁEROSPACE 14 **DISTRICT'S FIRST AMENDED** INDUSTRIES, INC.; GULTON INDUSTRIES, 15 INC.; MARK IV INDUSTRIES, INC.; EDO **COMPLAINT** CORPORATION: AEROJET-GENERAL 16 CORPORATION; MOORE BUSINESS FORMS, INC.; AC PRODUCTS, INC.; Complaint Filed: December 17, 2004 17 **FULLERTON MANUFACTURING** Trial Date: None COMPANY; FULLERTON BUSINESS PARK 18 LLC; and DOES 1 through 400, inclusive, 19 Defendants. 20 AND RELATED CROSS ACTIONS. 21 22 COMES NOW Defendant and Cross-Defendant Crucible Materials Corporation 23 ("CRUCIBLE") providing the following Amended Answer to Plaintiff ORANGE COUNTY 24 WATER DISTRICT's First Amended Complaint ("Complaint") as follows: 25 /// 26 /// 27 28

- 1. Paragraph 1 contains several statements of intent or legal conclusions and not factual allegations. CRUCIBLE is not required to answer legal conclusions. To the extent the paragraph contains allegations requiring a response from CRUCIBLE. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations, and on that basis denies each and every allegation contained therein.
- 2. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph and on that basis denies each and every allegation contained therein.
- 3. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph and on that basis denies each and every allegation contained therein. Further, CRUCIBLE denies that it is responsible for any release of contamination, including VOC'S or hazardous substances, into the environment or that it committed any of the wrongful acts alleged against it in Plaintiff's First Amended Complaint.
- 4. Paragraph 4 contains several statements of intent or legal conclusions and not factual allegations. CRUCIBLE is not required to answer legal conclusions. To the extent the paragraph contains allegations requiring a response from CRUCIBLE. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations, and on that basis denies each and every allegation contained therein.
- 5. Paragraph 5 contains several statements of intent or legal conclusions and not factual allegations. CRUCIBLE is not required to answer legal conclusions. To the extent the paragraph contains allegations requiring a response from CRUCIBLE. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations, and on that basis denies each and every allegation contained therein.
- 6. Paragraph 6 contains several statements of intent or legal conclusions and not factual allegations. CRUCIBLE is not required to answer legal conclusions. To the extent the paragraph contains allegations requiring a response from CRUCIBLE. CRUCIBLE is without

sufficient knowledge or information to form a belief as to the truth of the allegations, and on that basis denies each and every allegation contained therein.

- 7. Paragraph 7 sets forth definitions used throughout the First Amended Complaint and legal conclusions to which CRUCIBLE is not required to answer and on that basis CRUCIBLE denies each and every allegation contained therein.
- 8. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 9. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 10. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 11. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 12. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 13. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 14. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.

- 15. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 16. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 17. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 18. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 19. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 20. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 21. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 22. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 23. Paragraph 23 sets forth definitions used throughout the First Amended Complaint, and legal conclusions to which CRUCIBLE is not required to respond, and on that basis, CRUCIBLE denies each and every allegation contained therein. To the extent the

paragraph contains allegations requiring a response from CRUCIBLE, CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegation, and on that basis denies each and every allegation contained therein.

- 24. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 25. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 26. Paragraph 26 sets forth legal conclusions to which CRUCIBLE is not required to respond, and on that basis, CRUCIBLE denies each and every allegation contained therein. To the extent the paragraph contains allegations requiring a response from CRUCIBLE, CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegation, and on that basis denies each and every allegation contained therein.
- 27. CRUCIBLE denies each and every allegation against it contained in the first sentence of this paragraph. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph relating to other defendants, and on that basis denies each and every allegation contained therein. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in the remainder of this paragraph, and on that basis denies each and every allegation contained therein.
- 28. Paragraph 28 sets forth legal conclusions to which CRUCIBLE is not required to answer and on that basis CRUCIBLE denies each and every allegation contained therein.

FIRST CAUSE OF ACTION

(Orange County Water District Act - Against All Defendants)

29. CRUCIBLE incorporates by this reference, as though set forth in full, its responses to paragraphs 1 through 28 above.

	30.	Paragraph 30 sets forth legal conclusions to which CRUCIBLE is not required to
respon	d, and o	n that basis, CRUCIBLE denies each and every allegation contained therein. To
the ext	ent the	paragraph contains allegations requiring a response from CRUCIBLE,
CRUC	IBLE is	without sufficient knowledge or information to form a belief as to the truth of
the alle	egation,	and on that basis denies each and every allegation contained therein.

- 31. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 32. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 33. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 34. Paragraph 34 sets forth legal conclusions to which CRUCIBLE is not required to respond, and on that basis, CRUCIBLE denies each and every allegation contained therein. To the extent the paragraph contains allegations requiring a response from CRUCIBLE, CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegation, and on that basis denies each and every allegation contained therein.
- 35. CRUCIBLE denies each and every allegation against it contained in this paragraph. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in the reminder of this paragraph relating to other defendants, and on that basis denies each and every allegation contained therein.

SECOND CAUSE OF ACTION

(California Superfund Act – Against All Defendants)

36. CRUCIBLE incorporates by this reference, as though set forth in full, its responses to paragraphs 1 through 35 above.

- 37. Paragraph 37 sets forth legal conclusions to which CRUCIBLE is not required to respond, and on that basis, CRUCIBLE denies each and every allegation contained therein. To the extent the paragraph contains allegations requiring a response from CRUCIBLE, CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegation, and on that basis denies each and every allegation contained therein.
- 38. Paragraph 38 sets forth legal conclusions to which CRUCIBLE is not required to respond, and on that basis, CRUCIBLE denies each and every allegation contained therein. To the extent the paragraph contains allegations requiring a response from CRUCIBLE, CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegation, and on that basis denies each and every allegation contained therein.
- 39. Paragraph 39 sets forth legal conclusions to which CRUCIBLE is not required to respond, and on that basis, CRUCIBLE denies each and every allegation contained therein. To the extent the paragraph contains allegations requiring a response from CRUCIBLE, CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegation, and on that basis denies each and every allegation contained therein.
- 40. CRUCIBLE denies that it is liable to the District for contribution and/or indemnity for any response costs under California Health and Safety Code section 25368. Further, paragraph 40 sets forth legal conclusions to which CRUCIBLE is not required to respond, and on that basis, CRUCIBLE denies each and every allegation contained therein. To the extent the paragraph contains allegations requiring a response from CRUCIBLE, CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegation, and on that basis denies each and every allegation contained therein.
- 41. CRUCIBLE denies that it has caused or contributed to any environmental contamination, which has migrated or continues to migrate from any site specified in the First Amended Complaint. Further, paragraph 41 sets forth statements of intent to which CRUCIBLE is not required to respond, and on that basis, CRUCIBLE denies each and every allegation contained therein. To the extent the paragraph contains allegations requiring a

response from CRUCIBLE, CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegation, and on that basis denies each and every allegation contained therein.

THIRD CAUSE OF ACTION

(Negligence - Against All Defendants)

- 42. CRUCIBLE incorporates by this reference, as though set forth I full, its responses to paragraphs 1 through 41 above.
- 43. Paragraph 43 sets forth legal conclusions to which CRUCIBLE is not required to respond, and on that basis, CRUCIBLE denies each and every allegation contained therein. To the extent the paragraph contains allegations requiring a response from CRUCIBLE, CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegation, and on that basis denies each and every allegation contained therein.
- 44. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 45. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 46. Paragraph 46 sets forth legal conclusions to which CRUCIBLE is not required to respond, and on that basis, CRUCIBLE denies each and every allegation contained therein. To the extent the paragraph contains allegations requiring a response from CRUCIBLE, CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegation, and on that basis denies each and every allegation contained therein.
- 47. CRUCIBLE denies the truth of each and every allegation contained in this paragraph.
- 48. CRUCIBLE denies the truth of each and every allegation contained in this paragraph.

- 49. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph, and on that basis denies each and every allegation contained therein.
- 50. CRUCIBLE denies the truth of each and every allegation contained in this paragraph.
- 51. CRUCIBLE denies the truth of each and every allegation contained in this paragraph.

FOURTH CAUSE OF ACTION

(Nuisance - Against All Defendants)

- 52. CRUCIBLE incorporates by this reference, as though set forth in full, its responses to paragraphs 1 through 51 above.
- 53. Paragraph 53 sets forth legal conclusions to which CRUCIBLE is not required to respond, and on that basis, CRUCIBLE denies each and every allegation contained therein. To the extent the paragraph contains allegations requiring a response from CRUCIBLE, CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegation, and on that basis denies each and every allegation contained therein.
- 54. CRUCIBLE denies the truth of each and every allegation contained in this paragraph.
- 55. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 56. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 57. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.

- 58. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 59. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 60. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 61. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.

FIFTH CAUSE OF ACTION

(Trespass - Against All Defendants)

- 62. CRUCIBLE incorporates by this reference, as though set forth in full, its responses to paragraphs 1 through 61 above.
- 63. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 64. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 65. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.

- 66. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 67. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.

SIXTH CAUSE OF ACTION

(Declaratory Relief - Against All Defendants)

- 68. CRUCIBLE incorporates by this reference, as though set forth in full, its responses to paragraphs 1 through 67 above.
- 69. CRUCIBLE denies the truth of each and every allegation contained in this paragraph against CRUCIBLE. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, against other defendants, and on that basis denies each and every allegation contained therein.
- 70. CRUCIBLE denies the truth of each and every allegation contained in this paragraph against CRUCIBLE. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, against other defendants, and on that basis denies each and every allegation contained therein.
- 71. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in this paragraph, and on that basis denies each and every allegation contained therein.
- 72. CRUCIBLE admits that it has not reimbursed the District for any VOC-related investigation, remediation and/or cleanup costs in connection with this matter and that it denies any responsibility for any damages and/or expenses the District alleges it has incurred in the past or will incur in the future. CRUCIBLE is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in the remainder of this paragraph, and on that basis denies each and every allegation contained therein.

FOURTH AFFIRMATIVE DEFENSE 1 2 (Estoppel) As a separate and additional defense, Crucible is informed and believes and thereon 3 avers the Complaint, and each claim therein, is barred, in whole or in part, by the doctrine of 4 5 estoppel. 6 FIFTH AFFIRMATIVE DEFENSE 7 (Release or Waiver) 8 As a separate and additional defense, Crucible is informed and believes and thereon 9 avers the Complaint, and each claim therein, is barred, in whole or in part, by the doctrines of 10 express or implied release or waiver. 11 SIXTH AFFIRMATIVE DEFENSE 12 (Unclean Hands) 13 As a separate and additional defense, Crucible is informed and believes and thereon 14 avers the Complaint, and each claim therein, is barred, in whole or in part, by the doctrine of unclean hands. 15 16 SEVENTH AFFIRMATIVE DEFENSE 17 (Failure to Mitigate Damages) 18 As a separate and additional defense, Crucible is informed and believes and thereon 19 avers the Complaint, and each claim therein, is barred, in whole or in part, by the 20 Complainant's failure to mitigate its alleged damages. 21 EIGHTH AFFIRMATIVE DEFENSE 22 (Standing) 23 As a separate and additional defense, Crucible is informed and believes and thereon 24 avers the Complaint, and each claim therein, is barred, in whole or in part, due to lack of 25 standing. 26 /// 27 ///

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NINTH AFFIRMATIVE DEFENSE

(Venue)

As a separate and additional defense, Crucible is informed and believes and thereon avers the Complaint, and each claim therein, is barred, in whole or in part, because venue is not proper in this Court.

TENTH AFFIRMATIVE DEFENSE

(Federal Preemption)

As a separate and additional defense, Crucible is informed and believes and thereon avers the Complaint, and each claim therein, is barred, in whole or in part,, to the extent they are based upon CERCLA, 42 U.S.C. § 9601 *et seq.*, as amended, by the doctrine of Federal Preemption.

ELEVENTH AFFIRMATIVE DEFENSE

(Primary Jurisdiction)

As a separate and additional defense, Crucible is informed and believes and thereon avers the Complaint, and each claim therein, is barred, in whole or in part, because primary jurisdiction resides with the California Regional Water Quality Control Board, Santa Ana Region.

TWELFTH AFFIRMATIVE DEFENSE

(Failure to Join Necessary and/or Indispensable Parties)

As a separate and additional defense, Crucible is informed and believes and thereon avers the Complaint fails to join all necessary and/or indispensable parties needed for a just adjudication of the subject matter of this action.

THIRTEENTH AFFIRMATIVE DEFENSE

(Failure to Perform Conditions Precedent or Exhaust Remedies)

As a separate and additional defense, Crucible is informed and believes and thereon avers the Complainant has failed to perform the conditions precedent necessary to commence this action against Crucible and has failed to exhaust its remedies.

FOURTEENTH AFFIRMATIVE DEFENSE

(Failure to Give Notice)

As a separate and additional defense, Crucible is informed and believes and thereon avers the Complaint, and each claim therein, is barred, in whole or in part, for Complainant's failure to give proper notice to regulatory agencies as required by statute, including, but limited to CERCLA § 113(1), 42 U.S.C. § 9613(1), and California Health and Safety Code § 25363(e).

FIFTEENTH AFFIRMATIVE DEFENSE

(Cause)

As a separate and additional defense, Crucible is informed and believes and thereon avers that no act or omission of Crucible was the legal cause of any release, threatened release, or of any injuries or costs for which damages or other relief is sought in the Complaint.

SIXTEENTH AFFIRMATIVE DEFENSE

(Proximate Cause)

As a separate and additional defense, Crucible is informed and believes and thereon avers that no act or omission of Crucible was the proximate cause of any release, threatened release, or of any injuries or costs for which damages or other relief is sought in the Complaint.

SEVENTEENTH AFFIRMATIVE DEFENSE

(Independent, Intervening, and/or Superseding Cause)

As a separate and additional defense, Crucible is informed and believes and thereon avers that any act or omission of Crucible was not a substantial factor in bringing about Complainant's alleged injuries and damages and was not a contributing cause thereof. If Complainant sustained losses or damages, such losses or damages were the result of independent, intervening, or superseding forces and/or actions or omissions of third parties over which Crucible had no control and did not in any way participate in and for which Crucible is not liable.

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EIGHTEENTH AFFIRMATIVE DEFENSE

(Lack of Legal Duty)

As a separate and additional defense, Crucible is informed and believes and thereon avers the Complaint, and each claim therein, in whole or in part, fails to state facts sufficient to establish a legal duty on the part of Crucible.

NINETEENTH AFFIRMATIVE DEFENSE

(Contributory or Comparative Fault)

As a separate and additional defense, Crucible is informed and believes and thereon avers the Complaint, and each claim therein, is barred, in whole or in part, by Complainant's own contributory or comparative fault, and/or by the fault of other parties, and Complainant's recovery should be reduced in proportion to such fault, including the fault of any other parties.

TWENTIETH FFIRMATIVE DEFENSE

(Contribution or Indemnity)

As a separate and additional defense, Crucible is informed and believes and thereon avers that Crucible is entitled, according to proof, to contribution or indemnity from Complainant or any other third party whose negligence, fault or other conduct caused Complainant's damages, if any, and such contribution or indemnity would offset or eliminate any liability of Crucible.

TWENTY-FIRST AFFIRMATIVE DEFENSE

(CERCLA Defenses)

As a separate and additional defense, Crucible is informed and believes and thereon avers that Crucible is entitled to all CERCLA defenses as set forth in California Health and Safety Code § 25323.5.

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TWENTY-SECOND AFFIRMATIVE DEFENSE

(HSAA Defenses)

As a separate and additional defense, Crucible is informed and believes and thereon avers that Crucible is entitled to all HSAA defenses as set forth in California Health and Safety Code § 25300, et seq.

TWENTY-THIRD AFFIRMATIVE DEFENSE

(CERCLA § 107(b) Defense and Health & Safety Code § 25323.5)

As a separate and additional defense, Crucible is informed and believes and thereon avers that Crucible is not liable to Complainant because the alleged release or threat of release of a hazardous substance and the alleged damages resulting therefrom were caused solely by an act of God, an act of war, or an or omission of a third party pursuant to CERCLA § 107(b) and California Health and Safety Code § 25323.5.

TWENTY-FOURTH AFFIRMATIVE DEFENSE

(Not Response Costs)

As a separate and additional defense, Crucible is informed and believes and thereon avers that Crucible is not liable to Complainant because some or all of the costs alleged in the Complaint do not constitute recoverable response costs, or were not "necessary costs of response" or were not incurred consistent with the National Contingency Plan.

TWENTY-FIFTH AFFIRMATIVE DEFENSE

(Not Removal or Remedial Action Costs)

As a separate and additional defense, Crucible is informed and believes and thereon avers that some or all of the costs alleged in the Complaint do not constitute removal or remedial action costs with the meaning of CERCLA §§ 101(23) and 101(24), 42 U.S.C. § 9601(23)-(24) or within the meaning of California Health and Safety Code §§ 25322, 25323 and 25363, and are therefore not recoverable.

1 TWENTY-SIXTH AFFIRMATIVE DEFENSE 2 (Offset) As a separate and additional defense, Crucible is informed and believes and thereon 3 4 avers the Complaint, and each claim therein, in whole or in part, is subject to an offset. 5 TWENTY-SEVENTH AFFIRMATIVE DEFENSE (Unjust Enrichment) 6 7 As a separate and additional defense, Crucible is informed and believes and thereon 8 avers that Complainant would be unjustly enriched if it received the relief, including the 9 equitable relief, prayed for in the Complaint. TWENTY-EIGHTH AFFIRMATIVE DEFENSE 10 11 (Equitable Allocation) 12 As a separate and additional defense, Crucible is informed and believes and thereon 13 avers that Crucible is not liable for any other person's fair, equitable, and/or proportionate share of any relief to which Complainant may be entitled. 14 15 TWENTY-NINTH AFFIRMATIVE DEFENSE 16 (De Minimis) 17 As a separate and additional defense, Crucible is informed and believes and thereon 18 avers that if any hazardous substances from Crucible were or are present, which Crucible 19 denies, then the amount of, and/or the harm of relief attributable to, such hazardous substances 20 is de minimis. 21 THIRTIETH AFFIRMATIVE DEFENSE 22 (Divisibility of Harm) 23 As a separate and additional defense, Crucible is informed and believes and thereon 24 avers that Crucible is not liable, jointly and severally or otherwise, for any releases, harms, or 25 costs that are divisible from any releases, harms, or costs allegedly attributable to Crucible.

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THIRTY-FIRST AFFIRMATIVE DEFENSE

(No Liability)

As a separate and additional defense, Crucible is informed and believes and thereon avers that Crucible is not liable, jointly and severally or otherwise, for relief to which Complainant may be entitled against any other party.

THIRTY-SECOND AFFIRMATIVE DEFENSE

(Federally Permitted Release)

As a separate and additional defense, Crucible is informed and believes and thereon avers that if any hazardous substances from Crucible were or are present, which Crucible denies, then such release or threatened release, if any or at all, constitutes a permitted release as defined in CERCLA § 107(j), 42 U.S.C. § 9607(j).

THIRTY-THIRD AFFIRMATIVE DEFENSE

(State Permitted Release)

As a separate and additional defense, Crucible is informed and believes and thereon avers that if any hazardous substances from Crucible were or are present, which Crucible denies, then such release or threatened release, if any or at all, constitutes a release authorized by statute, ordinance, regulation, or rule of a state, regional, or local agency or government by permit, license, or similar authorization from any such agency.

THIRTY-FOURTH AFFIRMATIVE DEFENSE

(Actions Pursuant to Local, State or Federal Authority)

As a separate and additional defense, Crucible is informed and believes and thereon avers that Crucible is not liable for any acts or omissions undertaken by or at the direction or sufferance of local, state or federal authority, including, acts or omissions made in accordance with permits, regulations, ordinances, statutes, and laws applicable at the time of the acts or omissions at issue.

<u>THIRTY-FIFTH AFFIRMATIVE DEFENSE</u>

(Compliance with Laws)

As a separate and additional defense, Crucible is informed and believes and thereon avers that Crucible is not liable to Complainant because Crucible acted reasonably and with due care and complied, or substantially complied with all applicable statutes, regulations, ordinances, and/or other laws.

THIRTY-SIXTH AFFIRMATIVE DEFENSE

(Justified Conduct)

As a separate and additional defense, Crucible is informed and believes and thereon avers that Crucible is not liable to Complainant because Crucible's conduct was justified and permissible.

THIRTY-SEVENTH AFFIRMATIVE DEFENSE

(Punitive Damages Improper)

As a separate and additional defense, Crucible is informed and believes and thereon avers the Complaint alleges no facts, and Crucible has not engaged in any conduct, that entitles Complainant to an award of punitive damages.

THIRTY-EIGHTH AFFIRMATIVE DEFENSE

(Invalidity of Groundwater Project)

Defendant is informed and believes that on or about November 16, 2005, Plaintiff's Board of Directors approved a costly remedial plan called the North Basin Groundwater Protection Project (the "Groundwater Cleanup Project"), and that Plaintiff seeks in this action to recover all of the costs associated with implementing the Groundwater Cleanup Project from Defendant and the other defendants. Defendant is further informed and believes that Plaintiff's approval of the Groundwater Cleanup Project is invalid procedurally and substantively because, among other things, Plaintiff (1) failed to provide adequate notice of Plaintiff's consideration of the Groundwater Cleanup Project to Defendant and the other defendants, (2) failed to permit Defendant and the other defendants to provide comments on the Groundwater Cleanup Project,

1	(3) failed to consider all chemicals present in the groundwater and their likely sources, (4)	
2	failed to consider more cost-effective and feasible alternatives to the Groundwater Cleanup	
3	Project, (5) failed to evaluate the location and depths of extraction wells, and (6) failed to	
4	evaluate recharge of the treated water.	
5	THIRTY-NINTH AFFIRMATIVE DEFENSE	
6	(Reservation of Rights)	
7	The Complaint does not describe its claims or events with sufficient particularity to	
8	allow Crucible to ascertain what other affirmative defenses may exist, and Crucible therefore	
9	reserves the right to assert all affirmative defenses which may pertain to the Complaint once the	
10	precise nature of the claims is ascertained. Crucible further reserves the right to assert all other	
11	defenses that arise in discovery, trial, or otherwise.	
12	FORTIETH AFFIRMATIVE DEFENSE	
13	(Reliance upon Other Parties' Defenses)	
14	All affirmative defenses raised by any other party, to the extent applicable to Crucible,	
15	are incorporated by reference as if fully set forth herein.	
16		
17	WHEREFORE, Crucible prays for judgment as follows:	
18	1. That the Complaint be dismissed with prejudice;	
19	2. That Complainant take nothing by reason of the Complaint;	
20	3. That Crucible recover its attorneys' fees, costs, and litigation expenses; and	
21	4. For such other and further relief as this Court deems just and proper.	
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23	DATED: September 6, 2006 DONGELL LAWRENCE FINNEY CLAYPOOL LLP	
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25	Du faul	
26	Paul D. Rasmussen	
27	Attorneys for Defendant and Cross-Defendant CRUCIBLE MATERIALS CORPORATION	
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VERIFICATION TO FOLLOW

Docket No. 04 CC00715

CERTIFICATE OF SERVICE VIA LEXISNEXIS FILE AND SERVE

I, Francine Alicia-Marie Solis, declare as follows:

I am employed in the County of Los Angeles, State of California. I am over the age of 18 years and not a party to the within action. My business address is 707 Wilshire Boulevard, 45th Floor, Los Angeles, California 90017, in said County and State.

On September 6, 2006, I served the following document(s):

ORANGE COUNTY WATER DISTRICT'S FIRST AMENDED COMPLAINT on all parties, by posting it directly on the LexisNexis File & Serve website, at

http://www.lexisnexis.com/fileandserve/.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 6th day of September, 2006, at Los Angeles, California.

Francine Alicia-Marie Solis